Forward-looking information

Cautionary statement

Certain information in this presentation and responses to questions contains forward-looking information. Actual results could differ materially from conclusions, forecasts or projections in the forward-looking information as a result of certain material factors or assumptions that were applied in drawing conclusions or making forecasts or projections as reflected in the forward-looking information.

Additional information about the material factors and risks that could cause actual results to differ materially from the conclusions, forecasts or projections in the forward-looking information and the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information are disclosed on slide 16 of this presentation and in the Company’s 2019 Management’s Discussion and Analysis (MD&A) prepared as of February 21, 2020 which is available under the Company’s profile on SEDAR at sedar.com and on the Company’s website at capitalpower.com.
Non-GAAP financial measures

The Company uses (i) earnings before net finance expense, income tax expense, depreciation and amortization, impairments, foreign exchange gains or losses, finance expense and depreciation expense from its joint venture interests, gains or losses on disposals and unrealized changes in fair value of commodity derivatives and emission credits (adjusted EBITDA), (ii) adjusted funds from operations, (iii) adjusted funds from operations per share, (iv) normalized earnings attributable to common shareholders, and (v) normalized earnings per share as financial performance measures.

These terms are not defined financial measures according to GAAP and do not have standardized meanings prescribed by GAAP and, therefore, are unlikely to be comparable to similar measures used by other enterprises. These measures should not be considered alternatives to net income, net income attributable to shareholders of the Company, net cash flows from operating activities or other measures of financial performance calculated in accordance with GAAP. Rather, these measures are provided to complement GAAP measures in the analysis of the Company’s results of operations from management’s perspective.

Reconciliations of these non-GAAP financial measures are disclosed in the Company’s Management’s Discussion and Analysis prepared as of February 21, 2020 for 2019, which is available under the Company’s profile on SEDAR at SEDAR.com and on the Company’s website at capitalpower.com.
Strong execution in 2019
An excellent year highlighted by additional contracted growth

Growth
• $1B acquisition of Goreway Power Station that doubled our $500M growth target
• Completion of Whitla Wind 1 project
• Successfully raised $1.2 billion in capital to fund growth
• Assumed full control of Genesee Generating Station

Sustainability strategy
• Accelerated plan for 100% dual-fuel capability at Genesee by 2021
• Advancing carbon capture and utilization strategy with the testing of carbon nanotubes in concrete; increasing equity interest in C2CNT

Financial performance
• Met or exceeded financial targets including generating a record year of AFFO with $555M that was $45M higher than the mid-point of our $485M-$535M guidance range
2019 performance versus annual targets

Met or exceeded financial targets

<table>
<thead>
<tr>
<th>Facility availability</th>
<th>Sustaining capex</th>
<th>Adjusted EBITDA</th>
<th>AFFO</th>
</tr>
</thead>
<tbody>
<tr>
<td>94% Actual</td>
<td>95% Revised</td>
<td>$78 Revised</td>
<td>$907 Revised Target (1)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$80 to $90M</td>
<td>$1,029 Actual Reduced for K3/G3 swap impacts (2) $907 to $920M Revised Target (1)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$555 Actual</td>
</tr>
</tbody>
</table>

1) Revised targets reflects the acquisition of Goreway Power on June 4, 2019.
2) Excludes accelerated recognition of coal compensation of $128M pertaining to the swap of interests in the Genesee 3 and Keephills 3 facilities and includes a $6M increase to the Line Loss Rule Proceeding provision to reflect the additional 50% interest in Genesee 3 and the divestiture of the Company’s interest in Keephills 3.
Positive outlook in Alberta power prices

2019 average power price up 9%

$50

Positive outlook with 2020-2022 forward prices averaging $57/MWh

1) Forward prices as of February 20, 2020.
Financial highlights

- Q4/19 and 2019 financial results were consistent with our updated expectations provided at Investor Day on Dec 5/19
  - AFFO at the high end of the updated $535 to $555 million guidance range
  - Trading desk captured a 21% higher realized average power price versus spot price in Q4/19

<table>
<thead>
<tr>
<th>Portfolio optimization</th>
<th>Q4/19</th>
<th>Q4/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average AB spot price</td>
<td>$47/MWh</td>
<td>$56/MWh</td>
</tr>
<tr>
<td>Average realized price</td>
<td>$57/MWh</td>
<td>$52/MWh</td>
</tr>
<tr>
<td>% realized versus spot price</td>
<td>21%</td>
<td>-7%</td>
</tr>
</tbody>
</table>
## Financial performance – Q4/19

<table>
<thead>
<tr>
<th></th>
<th>Q4/19</th>
<th>Q4/18</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues and other income</td>
<td>$683</td>
<td>$340</td>
<td>101%</td>
</tr>
<tr>
<td>Adjusted EBITDA(^{(1)})</td>
<td>$352</td>
<td>$171</td>
<td>106%</td>
</tr>
<tr>
<td>Basic earnings per share</td>
<td>$1.61</td>
<td>$1.24</td>
<td>30%</td>
</tr>
<tr>
<td>Normalized EPS</td>
<td>$0.29</td>
<td>$0.30</td>
<td>-3%</td>
</tr>
<tr>
<td>Net cash flows from operating activities</td>
<td>$201</td>
<td>$133</td>
<td>51%</td>
</tr>
<tr>
<td>Adjusted funds from operations (AFFO)</td>
<td>$128</td>
<td>$80</td>
<td>60%</td>
</tr>
<tr>
<td>AFFO per share</td>
<td>$1.22</td>
<td>$0.78</td>
<td>56%</td>
</tr>
</tbody>
</table>

**Higher Adjusted EBITDA from acquisition of Goreway in Q2/19 and strong portfolio optimization results**

1) Adjusted EBITDA includes accelerated recognition of coal compensation of $128M pertaining to the swap of interests in the Genesee 3 and Keephills 3 facilities and includes a $6M increase to the Line Loss Rule Proceeding provision to reflect the additional 50% interest in Genesee 3 and the divestiture of the Company’s interest in Keephills 3.
Financial performance – 2019

<table>
<thead>
<tr>
<th>$M, except per share amounts</th>
<th>2019</th>
<th>2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues and other income</td>
<td>$1,963</td>
<td>$1,417</td>
<td>39%</td>
</tr>
<tr>
<td>Adjusted EBITDA&lt;sup&gt;(1)&lt;/sup&gt;</td>
<td>$1,029</td>
<td>$736</td>
<td>40%</td>
</tr>
<tr>
<td>Basic earnings per share</td>
<td>$0.73</td>
<td>$2.17</td>
<td>-66%</td>
</tr>
<tr>
<td>Normalized EPS</td>
<td>$1.34</td>
<td>$1.12</td>
<td>20%</td>
</tr>
<tr>
<td>Net cash flows from operating activities</td>
<td>$720</td>
<td>$450</td>
<td>60%</td>
</tr>
<tr>
<td>Adjusted funds from operations (AFFO)</td>
<td>$555</td>
<td>$397</td>
<td>40%</td>
</tr>
<tr>
<td>AFFO per share</td>
<td>$5.32</td>
<td>$3.85</td>
<td>38%</td>
</tr>
</tbody>
</table>

YoY increases in key financial metrics including AFFO per share of 38%

1) Adjusted EBITDA includes accelerated recognition of coal compensation of $128M pertaining to the swap of interests in the Genesee 3 and Keephills 3 facilities and includes a $6M increase to the Line Loss Rule Proceeding provision to reflect the additional 50% interest in Genesee 3 and the divestiture of the Company’s interest in Keephills 3.
Portfolio optimization
Alberta commercial portfolio positions

<table>
<thead>
<tr>
<th>% sold forward&lt;sup&gt;(1)&lt;/sup&gt;</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>72%</td>
<td>3%</td>
<td>11%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contracted prices&lt;sup&gt;(1)&lt;/sup&gt; ($/MWh)</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid-$50</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mid-$60</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low-$50</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Current average forward prices&lt;sup&gt;(2)&lt;/sup&gt; ($/MWh)</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>$60</td>
<td></td>
<td>$57</td>
<td>$53</td>
</tr>
</tbody>
</table>

- Increased our hedged position in 2020 from 53% to 72% since Q3/19
- 2021 commercial position remains largely unhedged

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<sup>(1)</sup> As of December 31, 2019. Based on the Alberta baseload facilities plus a portion of Joffre and the uncontracted portion of Shepard.

<sup>(2)</sup> As of February 20, 2020. The forward price for 2020 is a blend of Jan 1-Feb 20 settled prices and March-December forward prices.
2020 Financial targets

• Based on 63% of the Alberta Commercial baseload generation sold forward at an average contracted price in the mid-$50/MWh range
• Excludes any impacts from $500M of committed capital for growth
• Reflects a $40M reduction in AFFO from Arlington Valley’s previous tolling agreement expiring in 2019

Adjusted EBITDA ($M)

- 2019: $1,029
- 2020T: $935 to $985

AFFO ($M)

- 2019: $555
- 2020T: $500 to $550
2020 development & construction targets

Construction

Cardinal Point Wind  
(Illinois)  
- 150 MW  
- 12-year PPA  
- $289 - $301M CAD  
- $236 - $246M USD  
- COD in Mar/20

Whitla Wind 2  
(Alberta)  
- 97 MW (Phase 2)  
- $165M CAD  
- COD in 2021

Other contracted growth
- $500M of committed capital for growth; targeting one renewable development project
Our inaugural Integrated Annual Report, combining our financial and environmental, social and governance (ESG) reporting

Our 2019 Climate Change Disclosure Report(1)

Strong scoring from CDP on climate change and water management

“A-” for Climate Change Disclosure
“B-” for Water Security Assessment

Our Report Features…

• A comprehensive view of our priorities and performance
• An insight into our strategy for creating long-term value
• A third-party limited assurance on key ESG indicators

1) A separate ESG data table and GRI content index are also available for download.
**Sustainability: Creating Responsible Energy for Tomorrow**

**Environmental**
- 100% dual-fuel capability at Genesee by 2021 with eventual 100% coal-to-gas conversion
- World-leading carbon-reduction program on track to meet target 12% reduction in Genesee GHG emissions by 2021
- Plans to build Genesee Carbon Conversion Centre (2021) that will produce 2,500 tonnes of carbon nanotubes, resulting in 2 million tonnes in downstream benefits
- Industry leader in financial support for diverse offset creation

**Social**
- One of Canada’s 50 Best Corporate Citizens, Top Employer for Young People and one of Alberta’s Top 75 Employers in 2019
- Exceeding our 30% goal with 44% women on Board and 33% on executive team
- Successful stakeholder engagement program aimed at being “neighbour of choice”
- $1.3 million in community investments made in 2019

**Governance**
- Board mandate to include sustainability as a core part of business strategy
- CEO/executive short-term incentive targets include 20% ESG KPIs
- Committed to Climate-related financial disclosure (TCFD) by publishing our second Climate Change Disclosure Report
- One of the World’s Most Ethical Companies (Ethisphere) in 2019
Questions?
Forward-looking information

Forward-looking information or statements included in this presentation are provided to inform the Company’s shareholders and potential investors about management’s assessment of Capital Power’s future plans and operations. This information may not be appropriate for other purposes. The forward-looking information is generally identified by words such as will, anticipate, believe, plan, intend, target, and expect or similar words that suggest future outcomes. Material forward-looking information includes expectations regarding:

• future revenues, expenses, earnings, and adjusted EBITDA and adjusted funds from operations,
• the future pricing of electricity and market fundamentals in existing and target markets,
• future dividend growth,
• the Company’s future cash requirements including interest and principal repayments, capital expenditures, dividends and distributions,
• the Company’s sources of funding, adequacy and availability of committed bank credit facilities and future borrowings,
• future growth and emerging opportunities in the Company’s target markets including the focus on certain technologies,
• the timing of, funding of, and costs for existing, planned and potential development projects and acquisitions (including the Cardinal Point Wind project and phase 2 of the Whitla Wind project)
• facility availability and planned outages,
• capital expenditures for facility maintenance and other (sustaining capital, future growth projects, Genesee dual-fuel capability project),
• the impact of market designs on the Company’s core markets,
• the impact of the transformation of the Genesee units to 100% dual-fuel, including impacts to adjusted funds from operations, costs of the project, unit capacity and reduction of greenhouse gas emissions,
• expected operational improvements at Genesee resulting from the Genesee Performance Standard program,
• timing of commencing commercial production of carbon nanotubes and expected capital costs of the Genesee Carbon Conversion Centre,
• expectation of exercising the Company’s option to increase its interest in C2CNT,
• expectations pertaining to the financial impacts of Whitla Wind 1 in its first year of operations, including the impacts to adjusted funds from operations and adjusted EBITDA,
• expectations pertaining to the financial impacts of the acquisition of Goreway, including the impacts to adjusted funds from operations, adjusted funds from operations per share and adjusted EBITDA,
• expectations pertaining to the financial impacts of the swap of interests in the Genesee 3 and Keephills 3 facilities, including expectations regarding the impacts to adjusted funds from operations,
• expectations around the Line Loss Rule Proceeding including timing of retrospective loss factors being finalized, participation in applicable regulatory processes, and potential impacts to the Company.

These statements are based on certain assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions, expected future developments, and other factors it believes are appropriate including its review of purchased businesses and assets. The material factors and assumptions used to develop these forward-looking statements relate to:

• electricity and other energy prices and carbon prices,
• performance,
• business prospects (including potential re-contracting of facilities) and opportunities including expected growth and capital projects,
• status of and impact of policy, legislation and regulations,
• effective tax rates,
• other matters discussed under the Performance Overview and Outlook and Targets for 2020 sections,
• results of carbon nanotube concrete testing and preliminary marketing,
• anticipated performance of the acquired Goreway facility,
• anticipated performance of Whitla Wind 1, and
• the anticipated future performance of the Genesee 3 and Keephills 3 facilities used to assess the financial impacts of the swap of interests.

Whether actual results, performance or achievements will conform to the Company’s expectations and predictions is subject to a number of known and unknown risks and uncertainties which could cause actual results and experience to differ materially from the Company’s expectations. Such material risks and uncertainties are:

• changes in electricity prices in markets in which the Company operates,
• changes in energy commodity market prices and use of derivatives,
• regulatory and political environments including changes to environmental, financial reporting, market structure and tax legislation,
• generation facility availability and performance including maintenance of equipment,
• ability to fund current and future capital and working capital needs,
• acquisitions and developments including timing and costs of regulatory approvals and construction,
• changes in market prices and availability of fuel,
• ability to realize the anticipated benefits of the Goreway acquisition,
• ability to realize the anticipated benefits of the swap of interests in the Genesee 3 and Keephills 3 facilities,
• limitations inherent in the Company’s review of acquired assets, and
• changes in general economic and competitive conditions.

See Risks and Risk Management in the Company’s December 31, 2019 annual MD&A for further discussion of these and other risks. Readers are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the specified approval date. The Company does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in the Company’s expectations or any change in events, conditions or circumstances on which any such statement is based, except as required by law.